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Basilea Pharmaceutica

BARDA backs latest antibacterial programme

Funding update

Healthcare

29 September 2025

Basilea Pharmaceutica has secured a BARDA contract of up to $159m to advance ceftibuten-ledaborbactam etzadroxil, its recently in-licensed oral, Phase III-ready antibiotic for complicated urinary tract infections (cUTIs). The agreement replaces the original BARDA deal with the licensee Venatorx (October 2023) and provides $6m in committed near-term funding, with a further up to $153m in milestone-based payments, including support for the planned Phase III programme. We believe that this development meaningfully reduces clinical and funding risk for ceftibuten-ledaborbactam, which holds fast track and qualified infectious disease product designations from the FDA. Basilea has also recently received a commitment for a third $25m tranche under its separate $268m OTA funding agreement with BARDA ($93m committed to date), further validating its anti-infective pipeline.

Year end	Revenue (CHFm)	EBITDA (CHFm)	PBT (CHFm)	EPS (CHF)	DPS (CHF)	EV/EBITDA (x)	P/E (x)
12/23	157.6	20.8	10.8	0.90	0.00	26.5	50.4
12/24	208.5	62.9	60.6	6.44	0.00	8.8	7.0
12/25e	225.1	51.7	46.5	3.41	0.00	10.7	13.3
12/26e	254.3	71.0	69.7	5.14	0.00	7.8	8.8

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

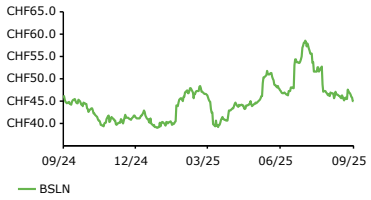
Basilea has a longstanding relationship with BARDA on two of its lead programmes, with Zevtera and fosmanogepix having already received R&D backing for their respective Phase III programmes. We believe that, when fully realised, the latest non-dilutive funding will cover a significant portion of Phase III development costs for the asset, significantly de-risking clinical progression.

While Basilea is yet to disclose its Phase III design for ceftibuten-ledaborbactam, we estimate that a single Phase III trial would need to recruit 1,000–1,500 patients and more than one trial may be required. Ceftibuten-ledaborbactam is a beta-lactam/beta lactamase inhibitor (BL/BLI) combination and its oral administration and activity against multidrug-resistant Enterobacterales (ESBL, KPC, OXA-48) positions it for use in both outpatient and step-down hospital settings, a cUTI market estimated at c $3bn by 2035. While there are BL/BLI combinations available for cUTI, no oral formulations targeting multidrug-resistant pathogens have been approved to date, creating a material commercial opportunity for ceftibuten-ledaborbactam, if approved. We estimate global peak sales potential of US$400–500m for the treatment.

This development follows the recent $25m funding commitment from BARDA under its Other Transaction Agreement (OTA) signed in September 2024. It marked the third successive payment under the OTA to Basilea following the $29m received at signing and another $39m in July. In total, Basilea has received commitments for $93m of the up to $268m earmarked under the agreement. This latest tranche was triggered by fosmanogepix reaching a predetermined enrolment milestone in its Phase III trial (in invasive yeast infections). The proceeds will support the ongoing Phase III fosmanogepix programme and the planned Phase II trial for BAL2062. BARDA is expected to fund 60% of the development costs for programmes covered under the OTA, including fosmanogepix and BAL2062.

Price	**CHF45.20**
Market cap	**CHF602m**
	US$1.25/CHF
Net cash at 30 June 2025	CHF50.7m
Shares in issue	13.3m
Code	BSLN
Primary exchange	SWX
Secondary exchange	N/A

Share price performance



Business description

Basilea Pharmaceutica is focused on treating infectious diseases. Its marketed products are Cresemba (an antifungal) and Zevtera (an anti-MRSA broad-spectrum antibiotic). It also has a broad development pipeline that includes two antifungals: Phase III novel broad-spectrum treatment fosmanogepix (two Phase III trials ongoing) and Phase II asset BAL2062; and two antibacterials: preclinical LptA inhibitor BAL2420 and recently acquired Phase III-ready oral combination treatment ceftibuten-ledaborbactam etzadroxil.

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